

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 98-565

July 30, 1999

PUBLIC UTILITIES COMMISSION,
Comprehensive Plan, Implementation
Of Electricity Retail Choice
Consumer Education Program

ORDER OF APPROVAL

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY.

In this Order, we approve the Comprehensive Plan for the Electricity Retail Access Consumer Education Program.

II. INTRODUCTION.

The Maine Legislature has decided that all Maine electricity consumers shall have the right to purchase electricity generation services from competitive providers beginning on March 1, 2000, and that consumers shall be educated about these changes with a consumer education program implemented by the Commission. 35-A, M.R.S.A., § 3202; 3213.

The Comprehensive Plan we approve in this Order is a refinement of the Initial Work Plan we approved in August 1998. It retains the framework and components from the Initial Workplan, and provides more detailed direction for the balance of the program. The Comprehensive Plan is developed pursuant to Chapter 302 of the Commission's rules, which established the general program framework.

Continuing to assist us in program development and implementation are our communications contractor, NL Partners, of Portland, and the Electricity Retail Choice Consumer Education Advisory Panel (Panel), created pursuant to Chapter 302. The Panel is a broad-based group with representatives from the electricity industry, residential consumers, low income and elderly consumers, small commercial consumers, municipal consumers, and the Office of the Public Advocate. The Panel provides feedback on proposed plans and is an important source of public input.

As part of refining and developing the Initial Workplan into this Comprehensive Plan, we received comments on a draft Comprehensive Plan from the Panel and solicited public comment during March 1999. This comment period was in addition to that provided as part of approval of the Initial Workplan in 1998. We also conducted

consumer research with residential, commercial, and municipal consumers in the autumn of 1998 that has informed these changes.

III. DISCUSSION OF PLAN CHANGES, ADVISORY PANEL FEEDBACK, AND PUBLIC COMMENT.

Before addressing the Comprehensive Plan or specific comments, we thank the Advisory Panel for its input on the Plan. Its advice has been very helpful to us in refining the Plan, and we have incorporated it. The Panel reviewed the draft Plan at its February, March and April, 1999 meetings, and discussed the public comment received on the draft Plan at its April meeting.

As a result of this input, the following substantive changes from the Initial Workplan are reflected in the final Plan:

- addition of a residential direct mail primer;
- addition of a small business primer, and other collateral material;
- creation of a Community Outreach Assistance Fund, in place of the grants program;
- increase in funding for Regional Outreach Coordinators;
- enhancement of the advertising budget, including provision for two “materials” focus groups to test advertising and other creative material; and
- modification to the interim survey schedule.

Many other more minor refinements and enhancements are reflected in the Plan. To fund these changes, we increase the program budget to \$1,498,000, from \$1,225,000, preserving more than \$100,000 of the total authorized program funding of \$1,600,000 as a contingency fund.

Some Panel members had additional input, beyond suggesting or endorsing the above changes. Some indicated concern about setting objectives for program performance. More specifically, they were concerned the program, for the funding available, will not be able to achieve the objectives that were in the draft Comprehensive Plan. The members preferred to set objectives requiring no greater than approximately 60% understanding. They noted that, except for California, they know of no other state that has set targets for program performance.

In response to this input, targets are now provided in two categories -- regular “objectives” and “stretch” objectives. The creation of “stretch” objectives establishes an ideal goal, but recognizes that attainment of such high objectives may not be possible within the existing program budget. Some of these objectives are as high as 90% understanding, and while these are the levels of consumer understanding we would like to attain to have an informed consumer base, we recognize that attainment of even the regular objectives may not be easy within program funding limits. For example,

California invested about twice as much per-capita in its program, yet sought to achieve only 60% consumer knowledge of restructuring.

We understand that some Panel members have recently questioned NL Partners about one of the community outreach components. They questioned the creation of the \$100,000 Community Outreach Assistance Fund (to provide NL Partners with the ability to contract with community-based organizations to help reach “hard-to-reach” consumers) in place of the \$200,000 grant program. These members have reportedly suggested they would prefer the \$200,000 originally reflected in the Initial Workplan.

We appreciate the views of these members and continue to believe that outreach through community organizations is vital for reaching “harder-to-reach” residential consumers. We will, however, adopt the advice given to us since January to fund the Community Outreach Assistance Fund at \$100,000. We believe the \$100,000, with the addition of the residential direct mail primer and small business primer, will support the direct provision of information on electric choice to most, if not all, Maine consumers. The addition of the residential and small business primers is significant because it allows us to narrow the breadth and extent of the audience that we are asking community organizations to help reach – namely, residential audiences that are less apt to find the primer “accessible.” It therefore also allows us to trim the associated funding. Unlike the grants program, which would have considered outreach funds for a wider array of residential consumer and small business groups, the Community Outreach Assistance Fund is targeted only to certain residential consumer sub-audiences. In addition, in order to adequately fund the residential primer, due to program funding limits, we have reduced funding for other components, including the web site, below levels originally recommended.

One person submitted public comments. Sharon Statz, General Manager of Kennebunk Light and Power District, points out that while the education program is a *state-wide* endeavor, some issues it must address will differ in consumer-owned utility service territories. While her comments did not identify specific issues, she has expressed a willingness to comment as campaign messages and materials are developed. We welcome her interest.

Ms. Statz also requested that whenever the Commission is making a presentation, having a meeting, or hosting a roundtable, in or near a consumer-owned utility service territory, it personally notify the manager of that utility. She indicates that the manager may wish to attend to provide information specific to that utility. We will ensure that, for all presentations or roundtables related to electric restructuring education, such notification is given.

IV. CONCLUSION.

We approve the Comprehensive Plan and funding of \$1,498,000. We may refine the Plan in the coming months, if necessary, based on interim survey results or

other appropriate factors, and may also increase or decrease the funding necessary to complete the program.

Accordingly, we

O R D E R

1. That the Consumer Education Advisory Panel continue to provide input on project implementation;
2. That a copy of this Order and the final Comprehensive Plan be sent to the Consumer Education Advisory Panel;
3. That a copy of this Order be sent to the service list for this docket, and all Maine electric utilities; and
4. That this Order, and the final Comprehensive Plan, be posted on our website, <http://www.state.me.us/mpuc>

Dated at Augusta, Maine this 30th day of July, 1999.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: WELCH
NUGENT
DIAMOND

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. §1320(1) - (4) and the Maine Rules of Civil Procedure, Rule 73 et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

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